Saskatchewan
Agriculture
and Food

Farm & Food Report

Communications Branch, Walter Scott Building
3085 Albert Street, Regina, Canada, S4S 0B1

Saskatchewan

INDEX

EXPANSION TAKES BIODIESEL PRODUCER TO THE NEXT LEVEL 07-38-179

ONLINE LISTING FOR CUSTOM FARM SERVICES AS WELL AS FEED 07-38-180

TIME RUNNING OUT TO GET LOW COST BUSINESS ADVICE..... 07-38-181

A FEW THINGS TO CONSIDER WHEN FALL GRAZING 07-38-182

PULSE CROP HARVEST AND STORAGE IN 2007..... 07-38-183

Farm and Food Report is produced weekly by the Zapwell Communications Group for Communications Branch, Saskatchewan Agriculture and Food
Contact: Amanda Dauk
101-3085 Albert Street, REGINA, SASKATCHEWAN S4S 0B1
Telephone: (306) 787-5160, Fax: (306) 787-0216
Internet Page: http://www.agr.gov.sk.ca

Saskatchewan Agriculture and Food

Farm & Food Report

Communications Branch, Walter Scott Building
3085 Albert Street, Regina, Canada, S4S 0B1

Saskatchewan

Log Number: 07-38-179
Week of September 17, 2007

EXPANSION TAKES BIODIESEL PRODUCER TO THE NEXT LEVEL

With a $2.5 million expansion nearing completion, Milligan Bio-Tech is taking another giant step in its remarkable growth.

The Foam Lake company is currently the only processor in North America making biodiesel from 100 per cent canola oil.

"Biodiesel can be made from any animal fat or vegetable oil, including rendered grease, yellow grease and waste restaurant grease, or traditional oilseed crops like canola, flax and sunflower," said Milligan Bio-Tech Executive Manager Zenneth Faye. "We use canola as our feedstock, and have developed exclusive processing technology to produce a very high quality biodiesel."

Faye says processors traditionally use a solvent extraction process that is very expensive for small-scale operations to implement. Working with Agriculture and Agri-Food Canada (AAFC), Milligan Bio-Tech developed technology for extracting oil out of oilseeds based on a "cold crushing" method.

"What this does is enable the efficient extraction of oil from oilseeds, particularly canola, which our company uses to produce biodiesel and other related co-products like diesel fuel conditioner, penetrating oil and road dust suppressant," he stated.

Milligan Bio-Tech currently uses canola that is not suitable for food use, such as crop that may have been contaminated, distressed, heat-damaged, frozen or improperly stored. "It gives Saskatchewan producers another opportunity for a product that can't fit into the food market," Faye noted.

On top of the environmental advantage typically found with biofuels, the company's biodiesel has also demonstrated proven performance benefits. It has a higher oxygen content than regular diesel fuel, resulting in it burning cleaner and reducing greenhouse gas emissions. Studies, such as the Saskatoon BioBus Project, have also shown it to increase lubricity, reduce engine wear and improve fuel economy in diesel motors.

Buyers seem to agree on the product's high quality. Faye says the company's sales have nearly doubled every year since production began in 2001. Milligan Bio-Tech's expansion is aimed at increasing production to meet this growing demand, as well as enhancing the scope of the current operation.

(more)

While the Foam Lake facility houses its cold crushing technology, the oil extracted through the process is presently transported to the Bio Processing Centre at the University of Saskatchewan, where it is refined into biodiesel, and where the technology the company developed with AAFC is studied and fine-tuned.

The company now believes this technology has been perfected to the point that it is ready to bring it home.

"With this expansion, we're bringing that technology back to our location," Faye said. "We've just put up a stand-alone building to produce biodiesel here in Foam Lake rather than transporting the extracted oil to Saskatoon and bringing back the fuel."

The expansion will also include a quality control lab and new research and development facilities.

Once the construction is complete, Milligan Bio-Tech will have an overall production capacity of 15 million litres per year. The company's workforce will also grow by an estimated nine jobs, bringing the total employed at the plant to around 25.

As a company committed to Saskatchewan, Faye says working to revitalize the rural economy is important to Milligan Bio-Tech. "For a community like Foam Lake that has about 1,350 people, an extra 25 jobs is a substantial boost to the economy," he noted. "There are also a lot of businesses in the area that benefit from serving our needs on an ongoing basis, from meals and trucking to welding, plumbing and so forth."

Faye says Milligan Bio-Tech owes much of its success to Saskatchewan producers, who have always stood faithfully by the company. "We're very grateful for the support we've received from producers in this province. They've given us nothing but encouragement throughout these many years of developing a technology and trying to get our feet on the ground as a small company venturing into business markets and commercialization," he stated.

"It's their support that has really enabled us to get to this stage."

- 30 -

For more information, contact:

Zenneth Faye, Executive Manager
Milligan Bio-Tech
Phone: (306) 272-6284

Saskatchewan
Agriculture
and Food

Farm & Food Report

Communications Branch, Walter Scott Building
3085 Albert Street, Regina, Canada, S4S 0B1

Saskatchewan

Log Number: 07-38-180
Week of September 17, 2007

ONLINE LISTING FOR CUSTOM FARM SERVICES AS WELL AS FEED

It remains one of the most popular and well-used services Saskatchewan Agriculture and Food (SAF) offers. But for producers in dire need of extra feed or extra help on the farm, it's often more than just a convenience – it can be a real lifesaver.

The Feed Grain and Forage Listing Service acts as a free "online bulletin board" connecting producers and others in the agricultural industry looking to buy and sell feed and forage resources, as well as custom farm services.

The listing has traditionally been a hot spot for those offering or seeking feed grain, baled forage and pasture space. But Al Foster, a Forage Development Specialist with SAF, stresses that many producers are also looking for custom farm help throughout the year. He says providers can easily pick up a lot of business by spending a few short minutes posting their availability.

"The listing service enables providers to post custom combining, cutting and baling, grain drying, seeding, silage making, spraying and trucking services," Foster stated.

"Throughout the year, the Agriculture Knowledge Centre and the regional offices of Saskatchewan Agriculture and Food get calls from producers and land owners looking for these services. In the spring and summer, calls for custom seeding, forage harvesting and silage making are common. At this time of year, custom bale and cattle hauling become more popular."

Foster wants to get the word out to custom farm operators who aren't using the listing service that they might be missing out on some excellent business opportunities.

"I really want to emphasize that the listing service is about more than feed," he said. "It provides producers and custom operators an opportunity to advertise those services to farmers in their areas and across the province."

To advertise a product or service or to browse the listings available, Internet users can visit the SAF website at www.agr.gov.sk.ca, click on the "Programs and Services" link and access the "Feed Grain and Forage Listing Service."

Farmers who do not have Internet access can call SAF's Agriculture Knowledge Centre at 1-866-457-2377 to have items posted for sale on their behalf or to have a copy of the listing sent to them.

(more)

Foster says it's important for service providers to remember that their information is available beyond just the electronic posting when they advertise through the listing service. He points out that staff at the Agriculture Knowledge Centre and the SAF regional offices regularly receive calls from producers asking if they know of anyone providing a certain custom farm service in their area.

"When providers' names are listed on our website, we've got quick and easy access to it, and we're able to pass along their contact information to the callers," Foster noted.

"Producers who provide these services change from time to time, as new people enter the operation and others retire, so it's difficult for SAF staff to keep an updated list of people providing these services. Using the Feed Grain and Forage Listing Service is the quickest and surest way to keep us aware of the services provided through your custom farm business."

- 30 -

For more information, contact:

Al Foster, Forage Development Specialist
Saskatchewan Agriculture and Food
Phone: (306) 878-8890
E-mail: afoster@agr.gov.sk.ca

Saskatchewan
Agriculture
and Food

Farm & Food Report

Communications Branch, Walter Scott Building
3085 Albert Street, Regina, Canada, S4S 0B1

Saskatchewan

Log Number: 07-38-181
Week of September 17, 2007

TIME RUNNING OUT TO GET LOW COST BUSINESS ADVICE

This winter could be your last chance to take advantage of a federal program providing low-cost business consulting services to agricultural producers.

The Specialized Business Planning Services offered by Agriculture and Agri-Food Canada (AAFC) are funded until March 31, 2008, under the previous Agriculture Policy Framework.

Regional Manager Chris Ruschkowski says that means producers shouldn't delay getting started in the Farm Business Assessment Program.

"It offers five days worth of consulting from a financial agri-business consultant," Ruschkowski said. "What they do is look at two years of previous financial records to give you a pattern of where your business is at, and then they do a scenario going forward of a change or a 'what-if.'"

According to Ruschkowski, the farmer can easily receive $2,500 worth of consulting services for the small fee of $100.

"Why wouldn't any producer go into this program?" he asked. "At worst, they are getting information that somebody else has reviewed, and they can bounce ideas off that person. Even if the feedback is that they're going in the right direction, they've at least got that peace of mind, and it's only cost them $100."

Along with benchmarking their operations, the business assessment helps producers plan ahead.

"For example, if you wanted to purchase or sell land, purchase cattle, or make other arrangements that might change your operation, this looks at what impact such a move would make," Ruschkowski said.

Once an application for the assessment is filed, the producer will work with one of AAFC's qualified consultants on the details.

"You need to spend the time getting your financial records together to meet with the consultant, because they need to discuss the options with you and determine your goals," Ruschkowski stated. "It may take several hours, but it's something you would want to do anyway. It's often something people plan to do, but never get around to doing it."

(more)

The Farm Business Assessment is an important first step to taking advantage of other funding offered by the department in areas such as marketing, human resource and succession plans. The subsidies available can add up to thousands of dollars to pay for the services of experts in agri-business and general business planning.

"It could be of use to virtually anybody," Ruschkowski said. "Farmers are sometimes hesitant to ask for help or to lean on someone for advice. But it's really no different than a CEO of a company asking for advice from their financial officer or accountant."

The information and application forms for the Farm Business Assessment Program are available on the Agriculture and Agri-Food Canada website at www.agr.gc.ca, under the "Programs and Services" link.

Ruschkowski urges farmers to apply soon.

"You have to get the application done by March 31, 2008," he noted. "Usually, it's in the winter months when you want to do that kind of work, so right after harvest is a good time to start the process."

- 30 -

For more information, contact:

Chris Ruschkowski, Regional Manager
Agriculture and Agri-Food Canada
Phone: (306) 780-7324
E-mail: ruschkowskic@agr.gc.ca

Saskatchewan Agriculture and Food

Farm & Food Report

Communications Branch, Walter Scott Building
3085 Albert Street, Regina, Canada, S4S 0B1

Saskatchewan

Log Number: 07-38-182
Week of September 17, 2007

A FEW THINGS TO CONSIDER WHEN FALL GRAZING

With fall on the way, producers are looking for options to stretch their grazing season as late as possible. In most situations, it is cheaper to keep the cows grazing out on the land rather than keeping them locked in the corrals and hauling feed to them. As a producer, it is important to "let the cows work for you," and it will also save you some cash.

Trevor Lennox, a Forage Development Specialist with Saskatchewan Agriculture and Food (SAF), says two options available to many producers are to either graze crop aftermath, such as stubble or chaff, or to use stockpiled perennial forages.

"It's important to understand the quality of the forage the animals are using in order to provide any required supplements," he stated. "Once forages lose their green colour in the fall, protein is usually lacking in the diet. When this occurs, providing the cattle with a protein supplement will improve their ability to utilize low-quality forages."

Lennox adds there can be additional benefits to supplements, such as using it to lure cattle into areas they might normally avoid. Distance or rough terrain in large or rugged pastures may discourage cattle from grazing certain areas as desired. A Montana study found that strategic placement of low-moisture blocks (two to four per cent moisture) caused cattle to be more willing to travel long distances or climb slopes to consume the supplement.

"Low moisture blocks can attract cows to graze difficult terrain that typically would not be used," Lennox said. "An ATV and trailer can be used to allow accurate placement of blocks in rugged terrain."

For producers who are currently grazing perennial forages, it is important to leave some residue on the surface rather than graze the crop to the ground. "Plant residue plays an important role in nutrient cycling and moisture retention, so maintaining some cover is very beneficial for production in the following year," Lennox noted.

"Many of the tame forages function best when 20 to 30 per cent of the year's growth is left as litter on the soil surface, while native forages function best when 40 to 50 per cent of the crop is left behind in any given year."

(more)

With low soil moisture in certain parts of the prairies, Lennox says some of the tame pastures did not regenerate well after being grazed earlier in the season. This has resulted in some producers running short of pasture due to poor re-growth in their forage crops.

"Rather than leaving the cattle in a pasture too long and allowing over-grazing to occur, a producer is usually better off to pull the animals off a little earlier instead of 'grazing a pasture into the ground' and sacrificing next year's production," he stated.

Producers should also be aware that perennial forages initiate a lot of their buds for next year's growth in the fall, and heavy grazing after this time can injure some of these buds. "When these growing buds are injured, yield may be compromised," Lennox said.

More information and tips for fall grazing of cattle can be found on the SAF website at www.agr.gov.sk.ca, or by calling the SAF Agriculture Knowledge Centre at 1-866-457-2377.

- 30 -

For more information, contact:

Trevor Lennox, Forage Development Specialist
Saskatchewan Agriculture and Food
Phone: (306) 778-8294
E-mail: tlennox@agr.gov.sk.ca

Saskatchewan Agriculture and Food

Farm & Food Report

Communications Branch, Walter Scott Building
3085 Albert Street, Regina, Canada, S4S 0B1

Saskatchewan

Log Number: 07-38-183
Week of September 17, 2007

PULSE CROP HARVEST AND STORAGE IN 2007

Very high temperatures this past summer have resulted in the rapid advancement of most pulse crops across the Prairies.

Ray McVicar, the Provincial Special Crop Specialist with Saskatchewan Agriculture and Food (SAF), says most pulse crops advanced rapidly throughout the Prairies due to the heat. "Harvest came on very quickly this year, which provides both benefits and drawbacks," he noted.

"Warm weather and, in some cases, no rainfall results in an early harvest, which reduces the risk of early frost problems; however, along with early maturity also comes lower yields and smaller seed size."

McVicar says that swathing green lentil at very high temperatures can sometimes lead to unexpected oxidation of the seed. "Seeds in the top of the swath can become discoloured quickly in temperatures over 35 degrees Celsius. Then, when the swath is run through the combine, the discoloured seeds are mixed throughout the sample."

Green peas can bleach if rain showers are followed by bright sunshine. "This year, there were numerous reports of yellow pea seed staying green at harvest as they reached maturity, due to the very high temperatures," he added.

McVicar says producers generally want to get some of their pulse crops off early in order to take advantage of possible marketing opportunities and to save storage space for later harvested crops. However, harvesting in late July and early August often means the crops are put into storage at high temperatures.

"We commonly think of increased storage problems due to high moisture, but pulses stored at high temperature can also be at risk," he stated.

McVicar says there were reports in 2006 of green lentils oxidizing within a few days in the bin when stored above 30 degrees Celsius. He advises growers to use aeration to cool the crop as soon as possible.

Due to their large size, stored chickpeas and peas need time for the moisture to equalize throughout the seed. Chickpeas harvested at high temperatures will most likely sweat in the bin. This occurs as the moisture migrates within the bin.

(more)

For prolonged safe storage, McVicar suggests that pulse crops should be cooled to less than 15 degrees Celsius and dried to less than 14 per cent moisture. Seed that is cooled to 10 degrees Celsius will store well for long periods.

The Saskatchewan Pulse Growers Pulse Production Manual offers a good guideline for the safe storage of peas at various temperatures and moisture content levels. It can be obtained online at www.saskpulse.com/media/pdfs/ppm-field-pea.pdf.

Especially helpful is the handy table found in the manual that takes a lot of the guesswork out of a producer's pea storage options. "For example, at 14 per cent moisture and 10 degrees Celsius, peas can be safely stored for approximately 95 weeks. If the temperature of the same grain was 25 degrees Celsius, the safe storage limit drops to 16 weeks," McVicar said.

"Most other pulse crops will be similar in nature. However, red lentils are considered to be dry at 13 per cent moisture content to match the needs of the splitting industry."

The hot weather earlier this summer means that many pulse crops were harvested dry, but controlling the temperature of the grain once in storage is an important step that producers can't overlook.

- 30 -

For more information, contact:

Ray McVicar, Provincial Special Crops Specialist
Saskatchewan Agriculture and Food
Phone: (306) 787-4665